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FM REO HILLAH
TO RUEHC/SECSTATE WASHDC IMMEDIATE 0929
INFO RUCNRAQ/IRAQ COLLECTIVE
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SENSITIVE (CORRECTED COPY) SIPDIS

E.O. 12958: N/A

TAGS: ENRG PGOV ECON IZ

SUBJECT: PROVINCES BYPASS NATIONAL ELECTRICITY GRID, THREATENING WIDER DISRUPTION OF SERVICE (CORRECTED COPY)

- 11. (U) This is a combined PRT Babil-Najaf-Diwaniya message.
- 12. (U) Responding to continuing electricity shortages from the national grid, South-Central provinces have begun to take the drastic step of circumventing central government control of the delivery of power to their provinces. Last month, Diwaniya Governor Khalil Jaleel Hamza boasted on TV of his decision to disconnect the "remote terminal unit" installed in the province, which affords the Ministry of Electricity central control over provincial energy access. Following Diwaniya's action, the Najaf provincial council (PC) voted to do likewise. The Babil PC has voted twice over the last two months also to bypass the national grid. (Note: Post has no indication that either of these latter provinces has yet acted on those resolutions. End note.) On July 30, Minister of Electricity Kareem Waheed accused the South-Central provinces of Babil and Diwaniya (along with Basra and Nasiriya) of partial responsibility for a total blackout in Baghdad. This criticism notwithstanding, provincial leaders have given no indication of retreating.
- 13. (SBU) Comment: With no end to the power crunch in sight and the heat -- generated both meteorologically and politically -- rising, the region's political leadership apparently feels compelled to act in an area where it believes the national government has been ineffective. If the national government fails to respond firmly to these self-help measures, other provinces can be expected to follow suit, leading to a "tragedy of the commons" situation in which the functioning of the entire national grid is compromised, to the detriment of users throughout the country, including the "cheating" provinces. End Comment.

HUNTER